

REMARKS

Claims 1-19, 43-47 and 57-76 are currently pending in the subject application and are presently under consideration. Favorable reconsideration of the subject patent application is respectfully requested in view of the comments herein.

I. Rejection of Claims 1-19, 43-47 and 57-76 Under 35 U.S.C. §103(a)

Claims 1-19, 43-47 and 57-76 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Pallakoff (US 6,269,343), in view of Thomas, *et al.*, “JIT: Strategies for Distant Suppliers” (hereinafter referred to as “Thomas”). It is respectfully requested that this rejection be withdrawn for at least the following reasons. The cited reference fails to teach or suggest each and every feature of the subject invention as claimed.

To reject claims in an application under §103, an examiner must establish a *prima facie* case of obviousness. A *prima facie* case of obviousness is established by a showing of three basic criteria. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. *Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.* See MPEP §706.02(j). (Emphasis added). The teaching or suggestion to make the claimed combination and the reasonable expectation of success *must both be found in the prior art* and not based on applicant’s disclosure. See *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). (Emphasis added).

The claimed subject matter relates to a system that facilitates volume pricing. More specifically, the system can aggregate orders for a product as well as aggregating shipping for the orders. In particular, independent claims 1 (and similarly independent claim 43) recites, “an offers and orders component that receives and aggregates orders for a product from a plurality of buyers; and *a logistics component that determines a shipping price for the product* for a subset of the plurality of buyers, the *shipping price being determined based at least in part upon the subset of buyers sharing a shipping method.*” The references, alone or when combined, do not teach or suggest these novel features.

Rather, Pallakoff relates to electronic commerce and more particularly marketing products and services utilizing the Internet. Nowhere does Pallakoff disclose or suggest *a logistics component that determines a shipping price for the product ... the shipping price being determined based at least in part upon the subset of buyers sharing a shipping method* as set forth in the subject claims. Instead, Pallakoff discloses aggregating demand and providing demand based pricing. (See col. 1, ll. 53-55). Although Pallakoff discloses a shipping charge can be applied to a buyer's credit card (see col. 8, ll. 41-47), the reference is silent regarding an offers and orders component structurally interrelated with *a logistics component that determines a shipping price*. Moreover, a shipping charge in Pallakoff is materially distinct from a shipping price of the subject claims because Pallakoff does not teach or suggest the shipping charge is *determined based at least in part upon the subset of buyers sharing a shipping method*.

At page 4 of the Final Office Action (dated August 28, 2006), the Examiner concedes these deficiencies, but incorrectly contends that Thomas may remedy the deficiencies with respect to Pallakoff. Applicant's representative disagrees. Thomas does not teach or suggest sharing a *shipping method*. Rather, Thomas simply indicates that *shipping costs* can be shared. A shipping method is materially distinct from shipping costs. Hence, neither Thomas nor Pallakoff, either alone or when combined, disclose or suggest *a logistics component that determines a shipping price for the product ... the shipping price being determined based at least in part upon the subset of buyers sharing a shipping method* as set forth in the subject claims. Accordingly, the Examiner has failed to make a *prima facie* case for obviousness and this rejection should be withdrawn.

Moreover, it is evident that the Examiner's analysis requires generalizing several features of the claimed subject matter in order to support this rejection. For example, the subject claims recite "the shipping price being determined based at least in part upon the subset of buyers sharing a shipping method," yet as indicated at page 4 of the Final Office Action, the Examiner generalizes these features to merely "sharing a shipping fee," which is not in fact recited in the subject claims. In essence, the Examiner provides no support for whether the cited references read upon or teach what is claimed, but rather argues the references read upon the Examiner's broad and inappropriate generalization of what is claimed. Accordingly, the question of whether Thomas teaches "sharing a shipping fee", with nothing more, has virtually no bearing upon the claimed subject matter.

This manner of generalization employed by the Examiner is not reasonably broad and recurs for several aspects of the claimed subject matter for which the cited references are deficient. In essence, many features of the instant claims not taught or suggested by the cited references are simply generalized into very broad concepts and rejected as “well-known” without regard to the plain language of the claims. For example, at page 2, the Examiner suggests that the offers and orders component is merely an interface screen and that the logistics component is merely a calculator, both of which, it is argued, are well-known and not “inventive features.” Thus, the Examiner has ignored the language of the claim and reduced it to a generalized abstraction that includes simply an interface screen and a calculator. While such analysis may provide a convenient tool to reject claims, it does not fairly consider them or “all the claim limitations,” as required.

For example, the Examiner asserts the logistics component is merely a “calculator,” and any distinguishing features of the logistics component are irrelevant as “what it does” rather than “what it is.” (See Final Office Action, page 2). However, it should be appreciated that the Examiner makes this conclusion (that the logistics component is merely a calculator) based upon “what it does”, while at the same time suggesting that “what it does” can be ignored for applicant’s comments, thus precluding any argument that might distinguish the two. Thus, the Examiner is employing one standard to reject the claims and another for applicant’s ability to argue to the contrary. Furthermore, applicant’s representative notes that the logistics component ***“determines a shipping price for the product . . . the shipping price being determined based at least in part upon the subset of buyers sharing a shipping method.”*** That is what it is. If the Examiner wishes to label this as a “calculator”, doing so does not change the requirements necessary to uphold a proper rejection. The references must teach or suggest “all the claim limitations.” Both Pallakoff and Thomas fail to do so.

In particular, the Examiner does not consider that not all calculators are equivalent. Hence, although a calculator that adds numbers may be well-known, it is not sufficient by itself to teach or suggest a calculator that multiplies numbers. Accordingly, claims directed to a calculator that multiplies numbers is distinct from a prior art calculator that adds numbers, even though the Examiner is free to call both devices simply a “calculator.” Likewise, naming the logistics component a “calculator” does not change the features of the claim that distinguish it from other “calculators.” Most particularly, the cited references, alone or in combination, do not

teach or suggest *a logistics component that determines a shipping price for the product ... the shipping price being determined based at least in part upon the subset of buyers sharing a shipping method.* Accordingly, this rejection of independent claims 1 and 43 as well as all associated dependent claims should be withdrawn.

Further yet, applicant's representative respectfully traverses the myriad of well-known statements including, without limitation, those associated with shipping/delivery procedures and business practices of Best Buy and Circuit City. The facts asserted to be well-known are not capable of instant and unquestionable demonstration as being well-known. Additionally, assuming arguendo that such facts are known, they are not of a type that can be known to be sufficiently old to pre-date the date of invention. Accordingly, applicant's representative requests that the Examiner cite a reference in support of his position pursuant to MPEP § 2144.03 if the rejection of the pertinent claims is maintained.

CONCLUSION

The subject application is believed to be in condition for allowance in view of the above comments. A prompt action to such end is earnestly solicited.

In the event any fees are due in connection with this document, the Commissioner is authorized to charge those fees to Deposit Account No. 50-1063 [GEDP101USE].

Should the Examiner believe a telephone interview would be helpful to expedite favorable prosecution, the Examiner is invited to contact applicant's undersigned representative at the telephone number below.

Respectfully submitted,
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